

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

In re  
**MICHAEL SHORES**  
  
Debtor(s).

Case No.  
  
19-60567

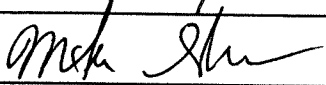
**SIGNATURE DECLARATION**

- ☒ PETITION, SCHEDULES & STATEMENTS  
☐ CHAPTER 13 PLAN  
☐ VOLUNTARY CONVERSION, SCHEDULES AND STATEMENTS  
☐ AMENDMENT TO PETITION, SCHEDULES & STATEMENTS  
☐ MODIFIED CHAPTER 13 PLAN  
☒ OTHER (PLEASE DESCRIBE: Modified Ch 12 Plan)

I [We], the undersigned debtor(s) or authorized representative of the debtor, make the following declarations under penalty of perjury:

1. The information I have given my attorney for the electronically filed petition, statements, schedules, amendments, and/or chapter 13 plan, as indicated above, is true and correct;
2. The Social Security Number or Tax Identification Number I have given to my attorney for entry into the court's Case Management/Electronic Case Filing (CM/ECF) system as a part of the electronic commencement of the above-referenced case is true and correct;
3. **[individual debtors only]** If no Social Security Number was provided as described in paragraph 2 above, it is because I do not have a Social Security Number;
4. I consent to my attorney electronically filing with the United States Bankruptcy Court my petition, statements and schedules, amendments, and/or chapter 13 plan, as indicated above, together with a scanned image of this Signature Declaration;
5. My electronic signature contained on the documents filed with the Bankruptcy Court has the same effect as if it were my original signature on those documents; and
6. **[corporate and partnership debtors only]** I have been authorized to file this petition on behalf of the debtor.

Date: 8/26/21

x   
Signature of Debtor 1 or Authorized Representative

x \_\_\_\_\_  
Signature of Debtor 2

**MICHAEL SHORES**  
\_\_\_\_\_  
Printed Name of Debtor 1 or Authorized Representative

\_\_\_\_\_  
Printed Name of Debtor 2

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

In RE:

Michael Shores

Debtor,

Case No.: 19-60567

Chapter 12

**CHAPTER 12 PLAN DATED August 26, 2021**

**ARTICLE I  
ADMINISTRATIVE PRIORITY CLAIMS**

The Chapter 12 trustee shall make application to the Court for approval of trustee's fees and for any reasonable and necessary expenses of the trustee in effectuating the trustee's duties under the Bankruptcy Code in administering this case. The debtor(s) shall pay an amount equal to five percent (5%) of all payments disbursed by the Chapter 12 trustee as an estimated payment and the trustee shall hold the fee until the trustee's fees and expenses are applied for and approved by the Court. Once the trustee's fees are approved, the trustee shall pay them.

**GENERAL TERMS**

The debtor shall file monthly reports with the office of the chapter 12 trustee, provide annual tax returns along with a summary of operation.

All creditors shall be allowed to file 11 U.S.C. Sec. 506(b) claims. All claims are subject to review by the Bankruptcy Court prior to and after a confirmation order is entered. The debtor is proposing a 100% distribution to unsecured creditors. If there are excess funds in the account, the money shall be paid to the unsecured creditors. The term of this plan shall be five years.

**ARTICLE II  
CLASSIFICATION OF CLAIMS AND INTERESTS**

CLASS 1: Star Bank

CLASS 2: John Deere Financial

CLASS 3: United States Department of Agriculture ("USDA-FSA")

CLASS 4: Velde Moore, Ltd.

CLASS 5: Unsecured Creditors

CLASS 6: Christine Shores

### **ARTICLE III**

#### **CLASS 1**

Class I consists of the claim of Star Bank which consists of five loans that are cross collateralized against real property and chattel property. According to the claim filed by Star Bank on October 22, 2019 the amount owed (including principal, interest, and late charges) totaled \$1,446,788.35. Star Bank is an over-secured creditor and shall be allowed a claim under 11 U.S.C. Sec. 506(b) for post-petition interest, late fees, reasonable attorneys' fees and costs. Debtor's objection to Star Bank's claim shall be withdrawn. Star Bank has not yet disclosed its costs, attorneys' fees and post-petition interest.

#### **Elements of Confirmation under 11 U.S.C. Sec. 1225(a)**

##### **1225(a)(1), (2), (3), (4) and (7).**

The debtor's plan complies with the provisions of chapter 12 and the debtor has paid all fees, charges, and amounts required under chapter 123 of title 28. The debtor's plan has been proposed in good faith and not by any means forbidden by law. The debtor is proposing to make a 100% distribution to his unsecured creditors, such that they will receive the same treatment as if this bankruptcy were to be filed under chapter 7 of this title. The debtor is not obligated to pay any domestic support obligations.

##### **1225(a)(5)**

This provision allows the debtor's plan to be confirmed, if his secured creditors have: (1) have accepted the plan, (2) the plan proposes to pay the creditor the present value of its claim, (3) the debtor surrenders the collateral to such claim holder. .

The debtor proposes to split Star Bank claim into real property and chattel claims. The real property claim shall be \$1,208,025.00 or 65% of the value of Star Bank's real estate collateral. The remaining balance owed to Star Bank (\$238,763.35) shall be allocated to machinery, cattle, crops, equity credits, and other chattel which have a scheduled value of \$639,581.89 or 37.3% loan to value. It should be noted that these obligations will continue to be cross-collateralized notwithstanding the bifurcation of their payment. Thus, the entire value of the collateral against the claim's loan balance is 57.9%.

The debtor proposes to grant the Bank an interest rate of 1% over prime, with a floor of 5.75% to pay the present value of its claim. This interest rate is justified given the value of collateral versus the size of the Bank's claim. Further, the Bank's claim is secured by the debtor's farm land which alone would provide a loan to value of 77.8%. The farm land in the debtor's area is not depreciating in value and will likely appreciate in the future.

The debtor proposes to pay the real estate portion of his obligation on a twenty-five year amortization. (Loan #2550 for \$800,000.00 had a five year balloon, but was amortized by the Bank for 25 years.) The debtor proposes to pay the chattel loan over a seven year amortization, excluding any portion attributable to post judgment interest and attorneys' fees, which shall be paid with the balloon. Both the real estate and chattel portions of the obligation will balloon five years after confirmation. This balloon is also offered in recognition that Notes #2553, #2560, and #2561 had one year balloons and were not meant to be long term obligations.

The first annual payment will occur one month after confirmation on the third Friday of the month in 2020.

This first annual payment will be \$100,000.00 to the Bank and \$5,000.00 for Trustee Fees. The unpaid balance of \$35,037.61 shall be paid when the note balloons according to the terms of this plan. Payments in subsequent years shall be as listed below. The debtor and Bank will cooperate in good faith to determine how checks number \*\*7192, \*\*7678, \*\*8524 and \*\*6974 were applied at the Bank. The parties agree to reserve the issue of the Bank's 11 U.S.C. Sec. 506(b) claim. The parties agree to a mutual release of all claims, except for claims regarding the proper crediting of checks number \*\*7192, \*\*7678, \*\*8524 and \*\*6974. Notwithstanding the foregoing, nothing contained herein shall impair the Bank's rights under this plan, the documents to be executed in connection to this plan, or the underlying loan and collateral documents in the event that there is non-performance under this plan by debtor. The \$105,000.00 was paid.

Annual Payment	Trustee Fee	Total Plan Payment
Real Estate		
92,266.74	4,613.33	96,880.07
Chattel		
42,770.87	2,138.55	44,909.42
Total		
135,037.61	6,751.88	141,789.49* see above paragraph

After the first annual payment is made, the debtor shall follow the following payment schedule beginning with the 2021 annual obligation and continuing with the 2022 annual obligation on the same dates and in the same amounts:

Due Dates for 2021	Payment	Trustee Fee	Total Payment
October 31, 2020	\$9,500.00	\$500.00	\$10,000.00, paid
December 31, 2020	\$57,000.00	\$3,000.00	\$60,000.00, paid
March 31, 2021	\$19,000.00	\$1,000.00	\$20,000.00, paid
May 31, 2021	\$49,537.61	\$2,251.88	\$51,789.49*
Total for 2021	\$135,037.61	\$6,751.88	\$141,789.49

\*The May 31, 2021 payment shall be paid with the October 31, 2021 payment, otherwise the payment schedule shall be unmodified.

The balloon payment of all remaining amounts owed by debtor to Star Bank, including the 506(B) payment, will be due the third Friday of the month five years after confirmation.

Real Estate Balloon:	\$1,080,109.52
Chattel Balloon:	\$77,993.59
Deferred Confirmation Payment:	\$35,037.61
506(b) Balloon Claimed by Star:	to be determined.

### **1225(a)(6)**

This provision is commonly referred to as the feasibility test. In determining whether a plan is feasible, the Court should view the debtor's predictions based on objective fact and not wishful thinking, see In re Clarkson, 767 F.2d 417, 420 (8<sup>th</sup> Cir.1985); citing In re Bergman, 585 F.2d 1171, 1179 (2<sup>nd</sup> Cir.1978). The Court should consider the farms earning power, the sufficiency of capital structure, economic conditions, managerial efficiency, and whether the same management will remain in place. Id., citing Great Northern Protective Services, Inc. 19 Bankr. 802, 803 (Bankr.W.D. Wash.1982). The bankruptcy court should approve a plan if it appears reasonably probable that the farmer will be able to pay the restructured secured debt over a reasonable amount of time, at a reasonable rate of interest, in light of farm prices and farm programs as of the date of confirmation, see In re Ahlers, 794 F.2d 388, 391-92 (8<sup>th</sup> Cir. 1986).

The debtor's attached cash-flow projections encompass 2019, 2020, and 2021. The cash flow projections were drafted by the Center for Farm Financial Management through the University of Minnesota and use the real production costs of the debtor, the debtor's historical yields, and actual market price projections to determine the debtor's cash flow projections. This information is the best prediction available given the actual and projected forecasts in the agricultural sector.

The debtor has every reason to believe that he will be able to obtain in-input financing from his past providers since their accounts will be brought current upon payment by the trustee after confirmation (see John Deere Credit, Ashby Equity Association, Pro Ag, and Wheaton-Dumont Coop Elevator claims).

### **Default Provisions**

- A. Non-Monetary Defaults. All of the following shall be considered non-monetary defaults that entitle Star Bank to the relief specified below:
  - 1. The debtor has a negative balance in his debtor in possession account.
  - 2. The debtor is served papers in a civil lawsuit and he fails to notify Star Bank immediately. Being subject to a lawsuit is not a non-monetary default, but if the debtor is fourteen days from the date upon which a judgment may be entered

against him, in an amount in excess of \$10,000.00, then a non-monetary default has occurred.

3. The debtor fails provide a copy of his monthly operating reports to Star Bank as they are provided to the Office of the Chapter 12 Trustee or fails to provide Star Bank with a copy of his monthly bank statements for his debtor in possession account by the 10<sup>th</sup> day of the following month.
4. The debtor fails to secure an operating loan for any applicable crop year which is approved by the Court before July 1 of that year (except for 2020, given that financing has already been obtained).
5. The debtor sells any assets out of trust.
6. The debtor fails to pay real estate taxes when due.

Non-monetary defaults shall not have a cure period.

B. Monetary Defaults. The following shall be considered a monetary default that entitles Star Bank to the relief specified below:

1. The debtor fails to make a payment by the applicable payment date, or within 15 days thereafter.

C. General Default Provisions

The debtor, and his non-filing spouse, shall execute a deed in lieu of foreclosure for the real property secured by Star Bank's mortgages within 14 days of plan confirmation. The debtor shall also execute a bill of sale for his farm machinery and livestock within 14 days of plan confirmation. Failure to execute said documents by the debtor within 14 days of plan confirmation shall be deemed a default under this plan. It shall also be a default under the plan if the debtor's estranged spouse has not executed said documents within 14 days of plan confirmation, unless by that time debtor has initiated legal action in the appropriate court to compel her to sign the agreed to deed in lieu of foreclosure and bill of sale, with said legal action being pursued expeditiously, promptly and in good faith. The Bank, at its option, may also pursue its own legal action if she refuses to sign the deed in lieu and bill of sale, and nothing contained herein shall be deemed a waiver of any claims against debtor's wife in the event of default or non-performance.

The deed in lieu of foreclosure and bill of sale shall be held in escrow by Old Republic Title Company. If the debtor defaults, and any applicable cure period has elapsed, the debtor shall have 60 days from the date of default to enter into a commercially reasonable purchase agreement for his real property secured by Star Bank, under terms acceptable to Star Bank. The debtor will have 60 days to close from the end of the initial 60 day period. The debtor may also sell other collateral during the 120 day period, under terms acceptable to Star Bank, to reduce the balance owed to Star Bank. If Star Bank is not paid in full within 120 days of default, and a

purchase agreement has not been signed for the sale of real property within 60 days after default, or if the sale contemplated by any purchase agreement does not close within 60 days after execution, Star Bank may record its deed in lieu of foreclosure and act on its bill of sale. Star Bank will be able to lift the stay to enforce this provision upon affidavit of default and non-performance and the debtor will not contest and motion for relief from the stay filed by Star Bank pursuant to this paragraph.

### **General Provisions**

Upon confirmation, Star Bank shall sign all livestock and crop checks being held by the debtor, and shall release its lien on unsold crops. The trustee shall concurrently make the first scheduled payment to Star Bank.

Star Bank agrees to subordinate its security interest in only the debtor's 2020 crop to his 2020 operating lender upon confirmation that the loan will be made. Notwithstanding the foregoing, Debtor shall make the operating lender aware that it will be expected to ensure that Star Bank receives all commodity checks pertaining to 2019 (or earlier) crop, in the event that said lender files a CNS financing statement and is named on the check by virtue of said filing.

Star Bank's collateral interest in the debtor's real property and chattel are not being modified by this plan. The debtor shall be allowed to sell or trade machinery with the prior consent of the Bank, and the Bank will have a replacement lien on equipment sold or traded. The bank shall also possess a lien against post-petition capital improvements to the real property. The Debtor will maintain property insurance with Star Bank named as a loss payee. The Debtor will pay all real estate taxes as and when due.

### **CLASS 2**

Class 2 is comprised of John Deere Financial. John Deere possesses a purchase money security interest in a JD 323 Skidsteer and a JD 568 Baler. The debtor will continue to make payments on both loan obligations directly to John Deere Financial under pre-petition terms.

### **CLASS 3**

Class 3 is comprised for USDA - FSA. The Debtor does participate in FSA programs and shall assume all contracts and programs with FSA. The Debtor shall not be precluded from applying for all farm programs administered by Farm Service Agency in the future.

#### **CLASS 4**

Class 4 is comprised of Velde Moore, Ltd.. Velde Moore, Ltd will be paid \$200.00 an hour for its pre and post-petition services and shall file periodic free applications for amounts due. The first annual payment will be paid to the trustee on one month after confirmation on the third Friday of the month, and the debtor will continue to do so during the course of this plan.

Annual Payment	Trustee Fee	Total
\$3,000.00	\$150.00	\$3,150.00

#### **CLASS 5**

Class 5 is that of all unsecured creditors. The debtor proposes to withhold each year sums of money for reasonable and necessary expenses to preserve and continue the debtor's farm operation as authorized under 11 U.S.C. § 1225(b)(2)(B). Such expenses include, but are not limited to, purchases of capital improvements, machinery and equipment. The amounts described herein shall not exceed \$5,000 per year and shall not exceed \$15,000 in accumulated capital improvement reserves over the course of the plan. Any amounts held by the debtor four months prior to discharge shall be turned over to the trustee for distribution to unsecured creditors if there are outstanding unsecured claims.

The debtor shall commit all disposable income to the completion of the plan, the duration of this plan shall be five years. The Debtor shall make a 100% distribution to all unsecured claims totaling \$124,408.50 (this includes the filed claims and that of the Ashby Equity Association for \$63,000.00).

The first annual payment will be paid to the trustee beginning on or before December 31, 2021.

Annual Payment	Trustee Fee	Total
\$31,102.13	\$1,555.11	\$32,657.24

#### **CLASS 6**

Class 6 is that of Christine Shores, the spouse of the debtor. Dissolution papers were served prior to the debtor filing for relief under chapter 12. The dissolution has been stayed during the chapter 12 bankruptcy. Ms. Shores also filed an adversary proceeding against the debtor to have his confirmation order revoked. The parties agreed to mediation as part of the adversary proceeding and have come to an agreed settlement. In consideration for retention of the farm real property, the farm business assets, and the debtor's personal property, the debtor has agreed to transfer the following property of the estate to Christine Shores:

- a. The parties will sell their joint interests in their homestead to their adult son, Darren Michael Shores, from which Christine Shores will receive \$225,000.00;
- b. The debtor will assign his 1/6 interest in the Rose Shores Final Structured Settlement Plan. The debtor's interest is worth \$160,408.23 without any discount for current value;



- c. 2005 Chevrolet Colorado;
- d. Knights of Columbus Life Insurance Policies: #XXXXXX7356, #XXXXXX7357 and #XXXXXX0645;
- e. Half interest in the farm's capital credits as valued on July 31, 2021;
- f. Firearms: \$1,075.00 in approximate value depending on firearms selected by Christine Shores.

#### **ARTICLE IV** **LIQUIDATION ANALYSIS**

The Liquidation Analysis as required under Section 1225 (a) (4) is attached as Attachment A. This analysis represents the values as a result of using the Minnesota exemptions.

#### **ARTICLE V** **EXECUTORY CONTRACTS**

The debtor does hereby assume and agree to continue any and all executory contracts with USDA, and Vincent Johnson from whom the debtor rents tillable acres.

#### **ARTICLE VI** **FARM INCOME AND EXPENSES**

The debtor shall satisfy the obligations of this plan through income from farm income, see attached cash flow projections. The debtor's personal living expenses shall be limited to \$20,000.00 per annum as reflected in the debtor's bankruptcy petition, schedule J.

#### **POST-PETITION CREDITORS AND SUPPLIERS**

The debtor shall administer contracts on all post-petition contracts outside of the plan.

Dated: August 27, 2021

/e/ Michael Shores

### Liquidation Analysis

<u>Asset</u>	<u>Value</u>	<u>Liens</u>	<u>Exemption</u>	<u>Equity</u>
Farm land 413 acres	1,858,500.00	1,446,788.35		411,711.65
Homestead	265,000.00		420,000.00	0.00
2011 2500 HD Chevy	15,000.00		4,800.00	10,200.00
1996 1 Ton Chevy	4,000.00			4,000.00
2016 Chevy Suburban	15,000.00			15,000.00
2005 Chevy Colorado	8,000.00			8,000.00
2004 Chevy Colorado	7,000.00			7,000.00
Household Goods	5,000.00		5,000.00	0.00
Clothing	800.00		800.00	0.00
Checking Bk of the West	6,000.00		4,500.00	1,500.00
Ashby Equity Credits	38,877.69			38,877.69
Settlement: mother	160,000.00			160,000.00
Claims against creditors	unknown			unknown
Knights of Columbus Life Ins.	37,776.00			37,776.00
125 Head Dairy Feeders	100,000.00	1,446,788.35		0.00
Proceeds Cattle Sale	89,942.89	1,446,788.35		0.00
Machinery & Equipment	218,500.00	1,446,788.35		0.00
JD 323 Skidsteer	50,000.00	1,480,070.35		0.00
JD 568 Baler	20,000.00	1,464,867.35		0.00
Barrett Stock Trailer	9,000.00	1,446,788.35		0.00
5 <sup>th</sup> Wheel Flatbed	2,000.00	1,446,788.35		0.00

Ford L900 Grain Truck	10,000.00	1,446,788.35	0.00
IHC Semi	10,000.00	1,446,788.35	0.00
Wilson 36' Hopper	9,000.00	1,446,788.35	0.00
9,000 BU Beans	76,500.00	1,446,788.35	0.00
est. 30,000 BU Corn	105,000.00	1,446,788.35	0.00
Firearms	2,150.00		2,150.00
DFA Capital Credits	7,922.79		7,922.79

# ***FINPACK***

*Cash Flow Plan: September 2019 Cash Flow*

*Mike Shores*

*Evansville, MN*

File: Shores Mike

Prepared by: Craig Will  
ATCC

Prepared on: 9/16/2019

### **Monthly Cash Flow Plan Executive Summary**

**Projected Cash Flow Summary**

	<i>Beg</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
Total operating inflow		245,503	342,335	233,313
Total operating outflow	(-)	197,937	142,846	134,200
Capital purchases	(-)	-	-	-
Capital sales	(+)	-	-	-
New credit	(+)	-	-	-
Loan payments	(-)	33,877	17,441	14,411
<b>Net cash flow</b>	<b>(=)</b>	<b>13,689</b>	<b>182,048</b>	<b>84,702</b>
Beginning cash balance	(+)	105,000	1,000	119,857
Operating loan borrowings	(+)	103,377	66,491	-
Operating loan prin pymts	(-)	221,066	129,682	-
Ending cash balance	(=)	1,000	119,857	204,558
Beg operating loan bal		180,880	63,191	-
Peak operating loan bal		197,938	99,352	-
End operating loan bal		63,191	-	-

**Change in Working Capital**

Change in cash		-104,000	118,857	84,702
Inventory changes	(+)	13,857	-91,900	-55,451
Change in opr loan balance	(-)	-117,689	-63,191	-
Change principal due term loans	(-)	-10,540	498	415
Est change in working capital	(=)	38,087	89,650	28,836

**Income Statement**

Gross cash farm income		245,503	342,335	233,313
Inv change-income items	(+)	30,642	-33,471	3,075
Gross revenue	(=)	276,145	308,864	236,388
Cash farm opr expense		186,270	117,846	109,200
Interest expense	(+)	20,567	4,379	851
Depreciation	(+)	46,750	42,080	37,926
Inv change-expense items	(+)	16,784	58,429	58,526
Total farm expense	(=)	270,372	222,734	206,502
Net farm income		5,773	86,130	29,885

**Net Worth Change**

	<i>Beg</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
Net farm income		5,773	86,130	29,885
Family living expense (-)		11,667	25,000	25,000
Income taxes accrued (-)		-	-	-
Personal interest expense (-)		339	497	385
Earned net worth change (=)		-6,232	60,633	4,500

**Term Debt Coverage (farm)**

Net farm income from operations		5,773	86,130	29,885
Depreciation (+)		46,750	42,080	37,926
Personal income (+)		-	-	-
Family living expense (-)		11,667	25,000	25,000
Personal interest expense (-)		352	497	385
Prin. payments on personal debt (-)		1,279	2,461	2,574
Income taxes accrued (-)		-	-	-
Interest on term debt (+)		28,107	47,932	47,531
Capital debt repayment capacity (=)		67,333	148,184	87,384
Term debt payments		13,477	11,452	11,452
Capital debt repayment margin		53,856	136,731	75,932
Term debt coverage ratio		5.00	12.94	7.63

**Term Debt Coverage (farm+personal)**

Net farm income from operations		5,773	86,130	29,885
Depreciation (+)		46,750	42,080	37,926
Personal income (+)		-	-	-
Family living expense (-)		11,667	25,000	25,000
Income taxes accrued (-)		-	-	-
Interest on term debt (+)		28,459	48,430	47,916
Capital debt repayment capacity (=)		68,964	151,142	90,342
Term debt payments		15,108	14,411	14,411
Capital debt repayment margin		53,856	136,731	75,932
Term debt coverage ratio		4.56	10.49	6.27

**Financial Standards Measures****Liquidity**

Current ratio	0.5	0.3	0.5	0.6
Working capital	-359,254	-321,168	-231,518	-202,682
Working capital to gross	-130.1 %	-116.3 %	-75.0 %	-85.7 %

**Solvency (market)**

Debt to asset ratio	57.6 %	53.7 %	52.2 %	53.0 %
Debt to equity ratio	1.4	1.2	1.1	1.1

**Profitability (market)**

Net farm income		5,773	86,130	29,885
Rate of return on assets		1.8 %	6.0 %	3.5 %
Rate of return on equity		0.5 %	7.3 %	2.5 %
Operating profit margin		18.3 %	49.6 %	37.8 %
EBITDA		92,375	191,018	127,188

**Repayment Capacity**

Term debt coverage ratio (farm)		5.00	12.94	7.63
Replacement margin coverage ratio		1.75	4.37	2.94

**Efficiency**

Asset turnover rate (mkt)	9.6	12.0	9.3
Operating expense ratio	66.5 %	38.2 %	46.2 %
Depreciation ratio	16.9 %	13.6 %	16.0 %
Interest expense ratio	14.4 %	20.3 %	25.1 %
Net farm income ratio	2.1 %	27.9 %	12.6 %

**Other**

Term debt coverage (farm+personal)	4.56	10.49	6.27
Term debt to EBITDA	9.50	4.59	6.80

***Shocks to Farm Term Debt Coverage Ratio***

10% decrease in revenue	2.95	10.24	5.57
10% increase in expenses	3.63	11.91	6.68
3% incr. in interest rates	2.09	3.69	2.14

	Year 2019							
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>CASH INFLOWS</b>								
Beg cash bal	105000	1000	1000	1000	1000	1000	1000	105000
Corn	-	-	-	-	-	8750	70000	78750
Soybeans	-	-	-	-	-	-	88200	88200
Dairy Feeder	-	-	50898	-	-	-	-	50898
Other govt	-	-	-	8978	-	8978	-	17955
Custom work	-	-	-	2400	2400	2400	-	7200
Pat dividend	-	-	-	-	-	-	2500	2500
Total inflow	105000	1000	51898	12378	3400	21128	161700	350503
<b>CASH OUTFLOWS</b>								
Seed	-	-	-	-	-	-	-	-
Fertilizer	-	-	-	-	-	-	-	-
Chemicals	-	-	-	-	-	-	-	-
Crop insur.	-	-	-	-	2100	4200	-	6300
Drying fuel	-	-	-	-	-	3150	-	3150
Pur. Corn	-	808	2190	2875	-	-	-	5873
Feeder lvstk								
Dairy Feeder	-	-	-	11800	-	-	-	11800
Purch. feed	1375	1375	935	1375	1375	1375	1375	9185
Supplies	25	25	17	25	25	25	25	167
L. Marketing	-	-	800	-	-	-	-	800
Fuel & oil	833	833	833	833	833	833	833	5833
Repairs	83	83	83	83	83	83	83	583
Land rent	-	-	-	-	-	5700	-	5700
Farm insur.	4000	-	-	-	-	-	-	4000
Dues & fees	-	-	-	878	-	-	-	878
Accounts pay	18857	18857	18857	18857	18857	18857	18857	132000
Living/Draw	1667	1667	1667	1667	1667	1667	1667	11667
Min end bal	1000	1000	1000	1000	1000	1000	1000	1000
Tot. outflow	27840	24649	26383	39393	25940	36890	23840	198937
Opr. surplus	77160	-23649	25515	-27016	-22540	-15763	137860	151566



	Year 2019							
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
LOAN PAYMENTS								
Star-Lot L..								
Prin pay	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Star-Lot L..								
Prin pay	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Star-#50 REM								
Prin pay	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Star-#54 M..								
Prin pay	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
JDCC-JD 56..								
Prin pay	-	3535	-	-	-	-	-	3535
Int. pay	-	965	-	-	-	-	-	965
Total	-	4500	-	-	-	-	-	4500
JDCC-SkidS..								
Prin pay	-	8144	-	-	-	-	-	8144
Int. pay	-	833	-	-	-	-	-	833
Total	-	8977	-	-	-	-	-	8977
mid m-car								
Prin pay	169	183	184	185	185	186	187	1279
Int. pay	64	50	49	48	48	47	46	352
Total	233	233	233	233	233	233	233	1631
Tot loan pay	233	13710	233	233	233	233	233	15108
Surp. or def	76927	-37359	25282	-27249	-22773	-15996	137627	136458

**ANNUAL OPERATING LOAN TRANSACTIONS & BALANCES**

Beg AO bal	180880	118664	156023	131920	159169	181942	197938	180880
AO borrowing	-	37359	-	27249	22773	15996	-	103377
AO int. pay	14711	-	1179	-	-	-	2880	18769
AO prin. pay	62216	-	24103	-	-	-	134747	221066
End AO bal.	118664	156023	131920	159169	181942	197938	63191	63191
Accrued int.	-	509	-	566	1249	2030	-	-
End cash bal	1000	1000	1000	1000	1000	1000	1000	1000

**2019 CROP & LIVESTOCK PRODUCTION**

Enterprise	Units	Production Per Unit	Share	Operator Production
Corn, Feed	210.0 Acres	180.0 bu.	100	37,800 bu.
Corn Silage	10.0 Acres	20.0 ton	100	200 ton
Soybeans	210.0 Acres	50.0 bu.	100	10,500 bu.
Total crops	430 Acres			

**2019 CROP & LIVESTOCK SUMMARY**

		Beg	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Corn equivalents										
Produced	bu.	-	-	-	-	-	37800	-	-	37800
Purchased	bu.	-	-	289	782	1027	-	-	-	2098
Price	\$/bu.	-	-	2.80	2.80	2.80	-	-	-	2.80
Sold	bu.	-	-	-	-	-	-	-	-	20000
Corn	bu.	-	-	-	-	-	-	2500	17500	20000
Price	\$/bu.	-	-	-	-	-	-	3.50	4.00	3.94
Fed	bu.	-	1122	1167	782	1027	1072	1117	1162	7447
Inventory	bu.	2000	878	-	-	-	36728	33112	14450	14450
Hay equivalents										
Inventory	ton	5	5	5	5	5	5	5	5	5
Silage equivalents										
Produced	ton	-	-	-	-	200	-	-	-	200
Inventory	ton	-	-	-	-	200	200	200	200	200
Soybeans										
Produced	bu.	-	-	-	-	-	10500	-	-	10500
Sold	bu.	-	-	-	-	-	-	-	10500	10500
Price	\$/bu.	-	-	-	-	-	-	-	8.40	8.40
Inventory	bu.	-	-	-	-	-	10500	10500	-	-
Dairy Feeder										
Purchased	head	-	-	-	-	40	-	-	-	40
Price	\$/head	-	-	-	-	295.00	-	-	-	295.00
Sold	head	-	-	-	40	-	-	-	-	40
Price	\$/cwt.	-	-	-	85.00	-	-	-	-	85.00
Inventory	head	125	125	125	85	125	125	125	125	125

**2019 PROJECTED INVENTORY CHANGE**

Commodity	Begin Inventor	\$/Unit	Begin Value	Ending Inventory	\$/Unit	Ending Value	Change
Corn equivalents	2,000	4.00	8,000	14,450	4.00	57,801	49,801
Hay equivalents	5	66.67	350	5	66.67	350	0
Silage equivalents	0	0.00	0	200	30.00	6,000	6,000
Dairy Feeder	120	90.00	93,600	125	90.65	68,441	-25,159
Accounts receivable			0			0	0
Hedging accounts			0			0	0
Other current assets			0			0	0
Total income items			101,950			132,592	30,642
Prepaid expenses & supplies			0			0	0
Growing crops			129,500			0	-129,500
Accounts payable		(End)	0		(Beg)	132,000	132,000
Accrued interest		(End)	151,464		(Beg)	132,180	-19,284
Total expense items			280,964			264,180	-16,784
Total inventories			382,914			396,772	13,857

	Year 2020												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
CASH INFLOWS													
Beg cash bal	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	18062	1000
Corn	-	-	-	-	-	-	-	-	-	-	-	105000	105000
Soybeans	-	-	-	-	-	-	-	-	-	-	88000	-	88000
Dairy Feeder	-	-	-	-	133650	-	-	-	-	-	-	-	133650
Other govt	5985	-	-	-	-	-	-	-	-	-	-	-	5985
Custom work	-	-	-	-	-	-	-	-	2400	2400	2400	-	7200
Pat dividend	-	-	2500	-	-	-	-	-	-	-	-	-	2500
Total inflow	6985	1000	3500	1000	134650	1000	1000	1000	3400	3400	91400	123062	343335
CASH OUTFLOWS													
Seed	-	-	-	18900	13200	-	-	-	-	-	-	-	32100
Fertilizer	-	-	-	-	23940	-	-	-	-	-	-	-	23940
Chemicals	-	-	-	-	12950	-	-	-	-	-	-	-	12950
Crop insur.	-	-	-	-	-	-	-	-	-	2200	4000	-	6200
Drying fuel	-	-	-	-	-	-	-	-	-	-	3000	-	3000
Purch. feed	1375	1375	1375	1375	440	440	440	440	440	440	440	-	8580
Supplies	25	25	25	25	8	8	8	8	8	8	8	-	156
L. Marketing	-	-	-	-	2000	-	-	-	-	-	-	-	2000
Fuel & oil	458	458	458	458	458	458	458	458	458	458	458	458	5500
Repairs	292	292	292	292	292	292	292	292	292	292	292	292	3500
Land rent	-	-	-	5760	-	-	-	-	-	-	5760	-	11520
RE taxes	-	-	-	1250	-	-	-	-	-	1250	-	-	2500
Farm insur.	-	-	-	-	3500	-	-	-	-	-	-	-	3500
Utilities	83	83	83	83	83	83	83	83	83	83	83	83	1000
Marketing	42	42	42	42	42	42	42	42	42	42	42	42	500
Dues & fees	-	-	-	-	-	-	-	-	900	-	-	-	900
Living/Draw	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	25000
Min end bal	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
Tot. outflow	5358	5358	5358	31268	59996	4406	4406	4406	5306	7856	17166	3958	143846
Opr. surplus	1627	-4358	-1858	-30268	74654	-3406	-3406	-3406	-1906	-4456	74234	119103	199489

	Year 2020												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
LOAN PAYMENTS													
Star-Lot L..													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Star-Lot L..													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Star-#50 REM													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Star-#54 M..													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
JDCC-JD 56..													
Prin pay	-	-	-	-	-	-	-	4560	-	-	-	-	4560
Int. pay	-	-	-	-	-	-	-	788	-	-	-	-	788
Total	-	-	-	-	-	-	-	5348	-	-	-	-	5348
JDCC-SkidS..													
Prin pay	-	-	-	-	-	-	-	5544	-	-	-	-	5544
Int. pay	-	-	-	-	-	-	-	561	-	-	-	-	561
Total	-	-	-	-	-	-	-	6105	-	-	-	-	6105
mid m-car													
Prin pay	201	202	202	203	204	205	205	206	207	208	209	209	2461
Int. pay	46	45	44	43	43	42	41	40	40	39	38	37	497
Total	247	247	247	247	247	247	247	247	247	247	247	247	2959
Tot loan pay	247	247	247	247	247	247	247	11699	247	247	247	247	14411
Surp. or def	1380	-4605	-2105	-30515	74407	-3653	-3653	-15105	-2153	-4703	73987	118857	185078

**ANNUAL OPERATING LOAN TRANSACTIONS & BALANCES**

Beg AO bal	63191	62127	66732	68837	99352	26430	30083	33735	48841	50994	55696	-	63191
AO borrowing	-	4605	2105	30515	-	3653	3653	15105	2153	4703	-	-	66491
AO int. pay	316	-	-	-	1485	-	-	-	-	-	1229	-	3030
AO prin. pay	1064	-	-	-	72922	-	-	-	-	-	55696	-	129682
End AO bal.	62127	66732	68837	99352	26430	30083	33735	48841	50994	55696	-	-	-
Accrued int.	-	311	644	988	-	132	283	451	695	950	-	-	-
End cash bal	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	18062	119857	119857

**2020 CROP & LIVESTOCK PRODUCTION**

Enterprise	Units	Production Per Unit	Share	Operator Production
Corn, Feed	200.0 Acres	180.0 bu.	100	36,000 bu.
Corn Silage	10.0 Acres	20.0 ton	100	200 ton
Soybeans	220.0 Acres	50.0 bu.	100	11,000 bu.
Total crops	430 Acres			

**2020 CROP & LIVESTOCK SUMMARY**

		Beg	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Corn equivalents</b>															
Produced	bu.		-	-	-	-	-	-	-	-	-	36000	-	-	36000
Sold	bu.														30000
Corn	bu.		-	-	-	-	-	-	-	-	-	-	-	30000	30000
Price	\$/bu.		-	-	-	-	-	-	-	-	-	-	-	3.50	3.50
Fed	bu.		1084	1134	1179	1224	335	349	368	382	397	411	425	-	7288
Inventory	bu.	14450	13366	12232	11053	9829	9494	9146	8777	8395	7999	43588	43162	13162	13162
<b>Hay equivalents</b>															
Inventory	ton	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Silage equivalents</b>															
Produced	ton		-	-	-	-	-	-	-	-	200	-	-	-	200
Inventory	ton	200	200	200	200	200	200	200	200	200	400	400	400	400	400
<b>Soybeans</b>															
Produced	bu.		-	-	-	-	-	-	-	-	-	11000	-	-	11000
Sold	bu.		-	-	-	-	-	-	-	-	-	-	11000	-	11000
Price	\$/bu.		-	-	-	-	-	-	-	-	-	-	8.00	-	8.00
Inventory	bu.	-	-	-	-	-	-	-	-	-	-	11000	-	-	
<b>Dairy Feeder</b>															
Sold	head		-	-	-	-	100	-	-	-	-	-	-	-	100
Price	\$/cwt.		-	-	-	-	90.00	-	-	-	-	-	-	-	90.00
Inventory	head	125	125	125	125	125	25	25	25	25	25	25	25	25	25

**2020 PROJECTED INVENTORY CHANGE**

Commodity	Begin Inventor	\$/Unit	Begin Value	Ending Inventory	\$/Unit	Ending Value	Change
Corn equivalents	14,450	4.00	57,801	13,162	4.00	52,649	-5,152
Hay equivalents	5	66.67	350	5	66.00	347	-4
Silage equivalents	200	30.00	6,000	400	30.00	12,000	6,000
Dairy Feeder	125	90.65	68,441	25	91.00	34,125	-34,316
Accounts receivable			0			0	0
Hedging accounts			0			0	0
Other current assets			0			0	0
Total income items			132,592			99,120	-33,471
Prepaid expenses & supplies			0			0	0
Growing crops			0			0	0
Accounts payable		(End)	0		(Beg)	0	0
Accrued interest		(End)	209,893		(Beg)	151,464	-58,429
Total expense items			209,893			151,464	-58,429
Total inventories			342,485			250,585	-91,900

	Year 2021												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>CASH INFLOWS</b>													
Beg cash bal	119857	149565	146360	145655	115640	58405	55200	51995	37338	35633	31478	105763	119857
Corn	-	-	-	-	-	-	-	-	-	-	-	102000	102000
Soybeans	-	-	-	-	-	-	-	-	-	-	88200	-	88200
Dairy Feeder	33413	-	-	-	-	-	-	-	-	-	-	-	33413
Custom work	-	-	-	-	-	-	-	-	2400	2400	2400	-	7200
Pat dividend	-	-	2500	-	-	-	-	-	-	-	-	-	2500
Total inflow	153269	149565	148860	145655	115640	58405	55200	51995	39738	38033	122078	207763	353169
<b>CASH OUTFLOWS</b>													
Seed	-	-	-	19800	12600	-	-	-	-	-	-	-	32400
Fertilizer	-	-	-	-	25080	-	-	-	-	-	-	-	25080
Chemicals	-	-	-	-	12850	-	-	-	-	-	-	-	12850
Crop insur.	-	-	-	-	-	-	-	-	-	2100	4200	-	6300
Drying fuel	-	-	-	-	-	-	-	-	-	-	3150	-	3150
L. Marketing	500	-	-	-	-	-	-	-	-	-	-	-	500
Fuel & oil	458	458	458	458	458	458	458	458	458	458	458	458	5500
Repairs	292	292	292	292	292	292	292	292	292	292	292	292	3500
Land rent	-	-	-	5760	-	-	-	-	-	-	5760	-	11520
RE taxes	-	-	-	1250	-	-	-	-	-	1250	-	-	2500
Farm insur.	-	-	-	-	3500	-	-	-	-	-	-	-	3500
Utilities	83	83	83	83	83	83	83	83	83	83	83	83	1000
Marketing	42	42	42	42	42	42	42	42	42	42	42	42	500
Dues & fees	-	-	-	-	-	-	-	-	900	-	-	-	900
Living/Draw	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	25000
Min end bal	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
Tot. outflow	4458	3958	3958	30768	57988	3958	3958	3958	4858	7308	17068	3958	135200
Opr. surplus	148811	145606	144901	114886	57652	54447	51242	48037	34880	30725	105010	203805	217969



	Year 2021												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>LOAN PAYMENTS</b>													
Star-Lot L..													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Star-Lot L..													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Star-#50 REM													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Star-#54 M..													
Prin pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
JDCC-JD 56..													
Prin pay	-	-	-	-	-	-	-	4849	-	-	-	-	4849
Int. pay	-	-	-	-	-	-	-	499	-	-	-	-	499
Total	-	-	-	-	-	-	-	5348	-	-	-	-	5348
JDCC-SkidS..													
Prin pay	-	-	-	-	-	-	-	5753	-	-	-	-	5753
Int. pay	-	-	-	-	-	-	-	351	-	-	-	-	351
Total	-	-	-	-	-	-	-	6105	-	-	-	-	6105
mid m-car													
Prin pay	210	211	212	212	213	214	215	216	216	217	218	219	2574
Int. pay	36	36	35	34	33	32	32	31	30	29	28	28	385
Total	247	247	247	247	247	247	247	247	247	247	247	247	2959
Tot loan pay	247	247	247	247	247	247	247	11699	247	247	247	247	14411
Surp. or def	148565	145360	144655	114640	57405	54200	50995	36338	34633	30478	104763	203558	203558

**ANNUAL OPERATING LOAN TRANSACTIONS & BALANCES**

Beg AO bal	-	-	-	-	-	-	-	-	-	-	-	-	-
AO borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-
AO int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
AO prin. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
End AO bal.	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued int.	-	-	-	-	-	-	-	-	-	-	-	-	-
End cash bal	149565	146360	145655	115640	58405	55200	51995	37338	35633	31478	105763	204558	204558

**2021 CROP & LIVESTOCK PRODUCTION**

Enterprise	Units	Production Per Unit	Share	Operator Production
Corn, Feed	210.0 Acres	180.0 bu.	100	37,800 bu.
Corn Silage	10.0 Acres	20.0 ton	100	200 ton
Soybeans	210.0 Acres	50.0 bu.	100	10,500 bu.
Total crops	430 Acres			

**2021 CROP & LIVESTOCK SUMMARY**

		Beg	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Corn equivalents</b>															
Produced	bu.		-	-	-	-	-	-	-	-	-	37800	-	-	37800
Sold	bu.														30000
Corn	bu.		-	-	-	-	-	-	-	-	-	-	-	30000	30000
Price	\$/bu.		-	-	-	-	-	-	-	-	-	-	-	3.40	3.40
Inventory	bu.	13162	13162	13162	13162	13162	13162	13162	13162	13162	13162	50962	50962	20962	20962
<b>Hay equivalents</b>															
Inventory	ton	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Silage equivalents</b>															
Produced	ton		-	-	-	-	-	-	-	-	200	-	-	-	200
Inventory	ton	400	400	400	400	400	400	400	400	400	600	600	600	600	600
<b>Soybeans</b>															
Produced	bu.		-	-	-	-	-	-	-	-	-	10500	-	-	10500
Sold	bu.		-	-	-	-	-	-	-	-	-	-	10500	-	10500
Price	\$/bu.		-	-	-	-	-	-	-	-	-	-	8.40	-	8.40
Inventory	bu.	-	-	-	-	-	-	-	-	-	-	10500	-	-	
<b>Dairy Feeder</b>															
Sold	head		25	-	-	-	-	-	-	-	-	-	-	-	25
Price	\$/cwt.		90.00	-	-	-	-	-	-	-	-	-	-	-	90.00
Inventory	head	25	-	-	-	-	-	-	-	-	-	-	-	-	

**2021 PROJECTED INVENTORY CHANGE**

Commodity	Begin Inventor	\$/Unit	Begin Value	Ending Inventory	\$/Unit	Ending Value	Change
Corn equivalents	13,162	4.00	52,649	20,962	4.00	83,849	31,200
Hay equivalents	5	66.00	347	5	66.00	347	0
Silage equivalents	400	30.00	12,000	600	30.00	18,000	6,000
Dairy Feeder	25	91.00	34,125	0	0.00	0	-34,125
Accounts receivable			0			0	0
Hedging accounts			0			0	0
Other current assets			0			0	0
Total income items			99,120			102,195	3,075
Prepaid expenses & supplies			0			0	0
Growing crops			0			0	0
Accounts payable		(End)	0		(Beg)	0	0
Accrued interest		(End)	268,419		(Beg)	209,893	-58,526
Total expense items			268,419			209,893	-58,526
Total inventories			367,539			312,089	-55,451

**TOTAL PLANNED INPUT QUANTITIES**

Description	Unit	2019	2020	2021
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**BALANCE SHEETS**

	6/20/2019	1/1/2020	Projected 1/1/2021	1/1/2022
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and checking	105,000	1,000	119,857	204,558
Growing crops	129,500	-	-	-
Crops				
Corn equivalents	8,000	57,801	52,649	83,849
Hay equivalents	350	350	347	347
Silage equivalents	-	6,000	12,000	18,000
Mkt Ivst				
Dairy Feeder	93,600	68,441	34,125	-
Total current assets	336,450	133,592	218,977	306,754
<b>Intermediate Assets</b>				
Machinery	268,500	241,650	217,485	195,737
Titled vehicles	66,000	56,100	47,685	40,532
Total intermediate assets	334,500	297,750	265,170	236,269
<b>Long Term Assets</b>				
Land	1,858,500	1,858,500	1,858,500	1,858,500
Bldgs & improve.	200,000	190,000	180,500	171,475
Total long term assets	2,058,500	2,048,500	2,039,000	2,029,975
Total farm assets	2,729,450	2,479,842	2,523,147	2,572,997
Personal assets	25,000	25,000	25,000	25,000
Total assets	2,754,450	2,504,842	2,548,147	2,597,997
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accrued interest				
Star Bank-Lot LN 60	16,148	20,655	28,380	36,105
Star Bank-Lot LN 61	5,937	8,341	12,461	16,581
Operating loan(s)	13,935	-	-	-
Star Bank-#54 M & E	4,280	6,409	10,059	13,709
JDCC-SkidSteer323	706	216	117	60
JDCC-JD 568 Baler	815	303	166	86
Star Bank-#50 REM	90,359	115,541	158,710	201,879
Prin due on term loans				
Star Bank-#54 M & E	8,969	-	-	-
JDCC-SkidSteer323	8,143	5,544	5,753	5,926
JDCC-JD 568 Baler	3,532	4,560	4,849	5,091
Operating loan(s)	180,880	63,191	-	-
Payables & accr exp	132,000	-	-	-
Star Bank-Lot LN 60	150,000	150,000	150,000	150,000
Star Bank-Lot LN 61	80,000	80,000	80,000	80,000
Total current liabilities	695,704	454,759	450,495	509,436
<b>Intermediate Liabilities</b>				
Star Bank-#54 M & E	60,556	69,525	69,525	69,525
JDCC-SkidSteer323	17,255	11,710	5,957	31
JDCC-JD 568 Baler	14,547	9,984	5,136	45

Star Bank-#50 REM	784,891	784,891	784,891	784,891
Total inter. liabilities	877,249	876,110	865,508	854,492
<b>Long Term Liabilities</b>				
Total long term liab.	-	-	-	-
Total farm liabilities	1,572,953	1,330,870	1,316,004	1,363,927
<b>Personal Liabilities</b>				
Accrued interest personal	13	-	-	-
mid mn credit union-car	13,500	12,221	9,760	7,186
Total personal liab.	13,513	12,221	9,760	7,186
Total liabilities	1,586,466	1,343,090	1,325,763	1,371,113
Net worth	1,167,984	1,161,751	1,222,384	1,226,884
Net worth change		-6,232	60,633	4,500
Total debt to asset ratio	57 %	53 %	52 %	52 %

**COST OF PRODUCTION SUMMARY**

Crop	Total Expenses	Less Govt & Other Income	With Labor & Mgt	Machinery Cost / Acre
Corn, Feed	2.78 /bu.	2.71 /bu.	2.71 /bu.	147.14
Corn Silage	25.90 /ton	25.11 /ton	25.11 /ton	183.93
Soybeans	6.13 /bu.	5.92 /bu.	5.92 /bu.	122.62

Enterprise	Product	Total Expenses	Less Govt & Other Income	With Labor & Mgt	Feed Cost	Feed Cost / Budget Unit
Dairy Feeder	Dairy Feeder	58.24 /cwt.	56.83 /cwt.	56.83 /cwt.	33.40 /cwt.	501.00 /Head

**Financial Trends**

	<b>2019</b>	<b>2020</b>	<b>2021</b>
Source	Proj.	Proj.	Proj.

**Income Statement**

Gross cash farm income	245,503	342,335	233,313
+ Inventory change (income items)	30,642	-33,471	3,075
= Gross farm income (accrual)	276,145	308,864	236,388

Total cash farm expense	206,837	122,225	110,051
+ Depreciation	46,750	42,080	37,926
+ Inventory change (expense items)	16,784	58,429	58,526
= Total farm expense (accrual)	270,372	222,734	206,502
Net farm income from operations	5,773	86,130	29,885
<b>Net farm income</b>	<b>5,773</b>	<b>86,130</b>	<b>29,885</b>

**Profitability (market)**

Rate of return on assets	1.8 %	6.0 %	3.5 %
Rate of return on equity	0.5 %	7.3 %	2.5 %
Operating profit margin	18.3 %	49.6 %	37.8 %
Asset turnover rate	9.6 %	12.0 %	9.3 %

**Liquidity & Repayment**

Current ratio (farm only)	0.29	0.49	0.60
Working capital (farm only)	-321,168	-231,518	-202,682
Working capital to gross revenue	-116.3 %	-75.0 %	-85.7 %
Term debt coverage ratio	5.00	12.94	7.63
Replacement margin coverage ratio	1.75	4.37	2.94

**Efficiency Measures**

Operating expense ratio	66.5 %	38.2 %	46.2 %
Depreciation expense ratio	16.9 %	13.6 %	16.0 %
Interest expense ratio	14.4 %	20.3 %	25.1 %

**Solvency (market, exclude def liab)**

Farm assets	2,479,842	2,523,147	2,572,997
Farm liabilities	1,330,870	1,316,004	1,363,927
Total assets	2,504,842	2,548,147	2,597,997
Total liabilities	1,343,090	1,325,763	1,371,113
Net worth	1,161,751	1,222,384	1,226,884
Net worth change	-6,232	60,633	4,500
Net worth change (%)	-1 %	5 %	0 %
Farm debt to asset ratio	54 %	52 %	53 %
Total debt to asset ratio	54 %	52 %	53 %

**Other Information**

Family living expense	12,019	25,497	25,385
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